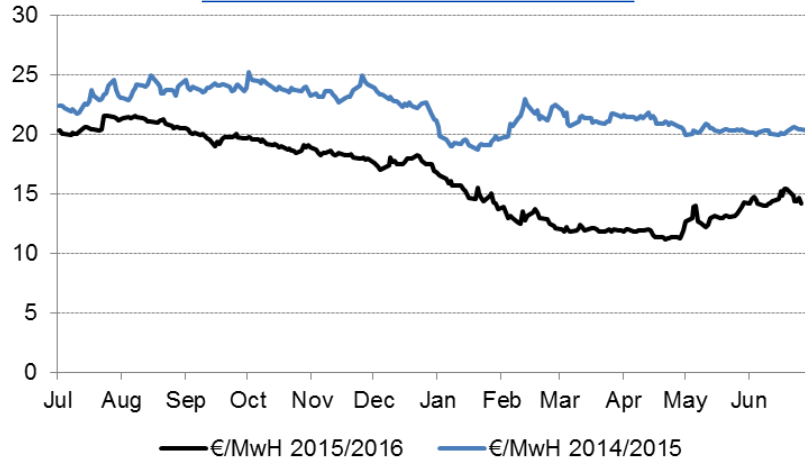


## Analyst Presentation 1H 2016 Financial Results August 5<sup>th</sup>, 2016

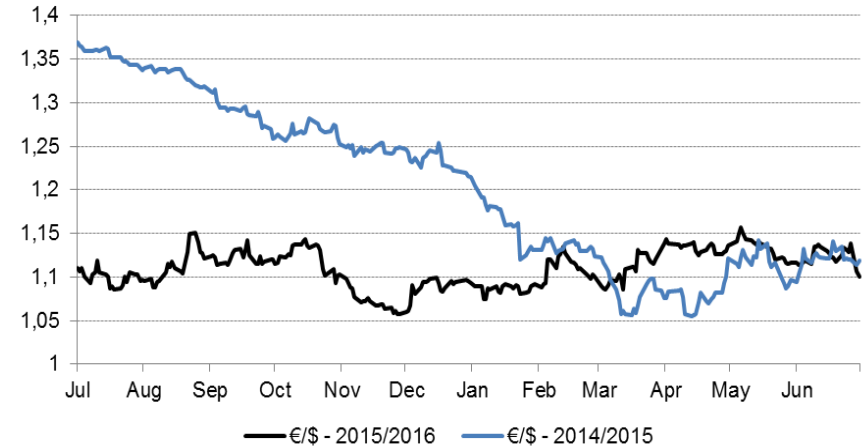


- **MARKET SCENARIO**
- **HIGHLIGHTS**
- **FINANCIAL RESULTS**

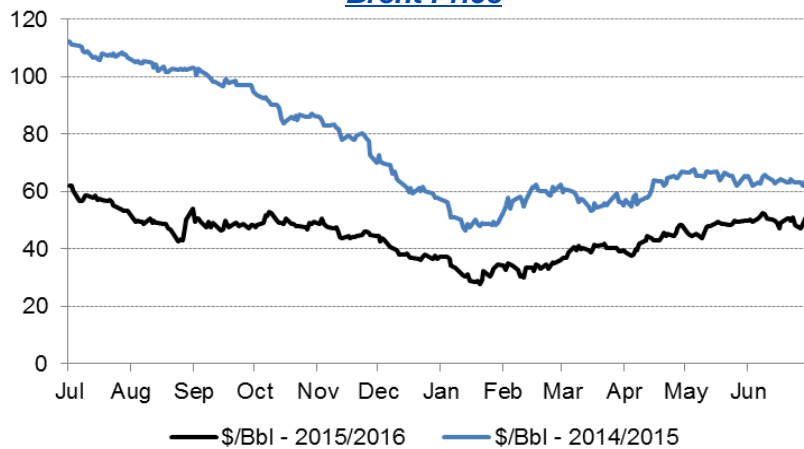
**TTF Gas Price – Quarter Ahead**



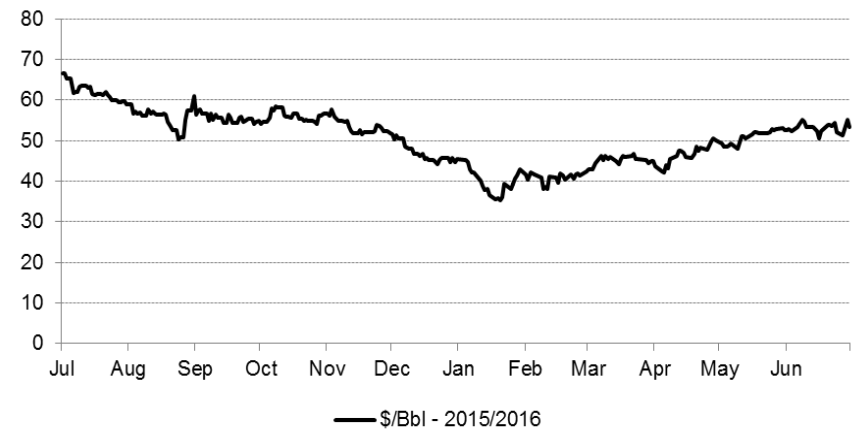
**Euro – Us Dollar Exchange rate**



**Brent Price**



**Brent forward 1 year price**



- ✓ The hydrocarbon price scenario that affected the energy sector, had a negative impact on the Group economic results that, anyway, showed a good level of endurance vs. the industry average
- ✓ The BU E&P, besides the price scenario, was also negatively influenced by the sudden stop of one of its main concession, not operated by the Group, and by the complex authorization iter affecting the new development projects
- ✓ International E&P relinquished the high risk reward Midia Deep project
- ✓ Commercial activity has benefited of the wholesale market exit and showed an increasing marginality with high historical results, despite the warm climate conditions
- ✓ Positive and stable profitability from Network & Transportation BU. Increased distributed volumes in 1H 2016 due to the acquisition of the Manerbio and Bassano Bresciano distribution concessions;
- ✓ Slight increase of NFP due to the investment restart and above the mentioned acquisition

## 1H 2016 – Group P&L

Group (M€)	1H16	1H15	% Change
Total Revenues	45.5	62.3	-27.0%
Operating Costs	36.3	41.5	-12.4%
<b>EBITDA</b>	<b>9.2</b>	<b>20.9</b>	<b>-56.0%</b>
<b>EBIT</b>	<b>(0.6)</b>	<b>11.9</b>	<b>-105.2%</b>
<b>EBT</b>	<b>(5.1)</b>	<b>9.3</b>	<b>-155.2-%</b>
<b>Disc. operations</b>	<b>-</b>	<b>(0.8)</b>	<b>n.m.</b>
<b>Net Result</b>	<b>(3.5)</b>	<b>5.8</b>	<b>-159.4%</b>
<b>EPS (€)</b>	<b>(0.08)</b>	<b>0.13</b>	<b>-159.4%</b>

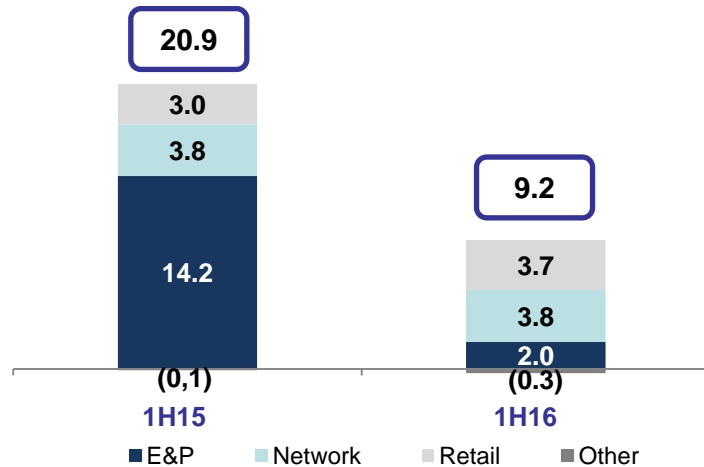
*The data shown in the table do not take into consideration, at the EBITDA, EBIT and EBT level, the results of the S&S business unit which is included within the specific item "discontinued operations"*

### 1H 16 Financial results

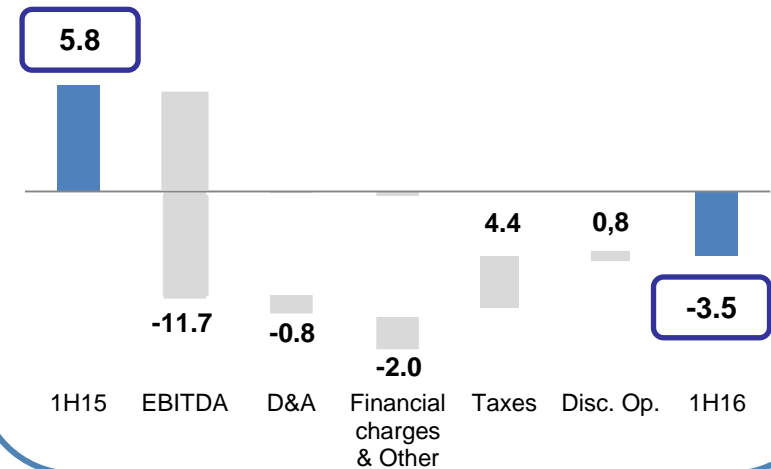
- ✓ **Total Revenues** decreased due to the lower hydrocarbon price scenario. 1H15 figure included also € 5.3 M of non-recurring items related to E&P activity
- ✓ **EBITDA** reduction due to the decrease of E&P margin, that anyway remained positive
- ✓ **EBIT** recorded a negative result also because of the E&P asset depreciation of Midia Deep concession
- ✓ The Group recorded a **Net Result** of - € 3.5 M vs. € 5.8 M of 1H15

## 1H 2016 Consolidated results

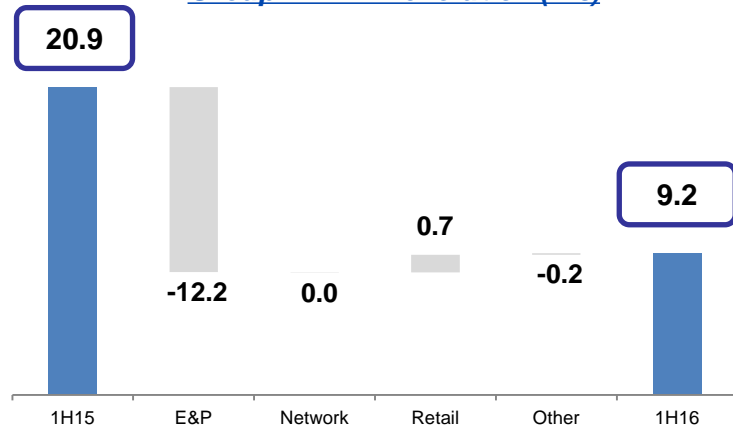
EBITDA breakdown by BU (M€)



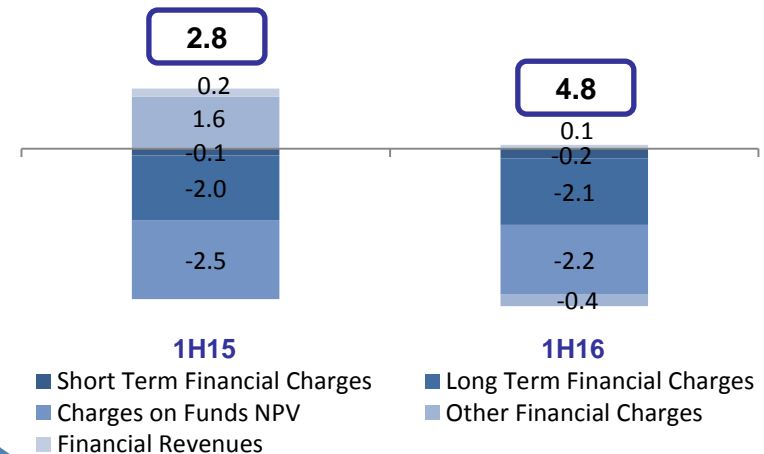
Group Net Result evolution (M€)



Group EBITDA evolution (M€)



Net Financial Charges evolution (M€)

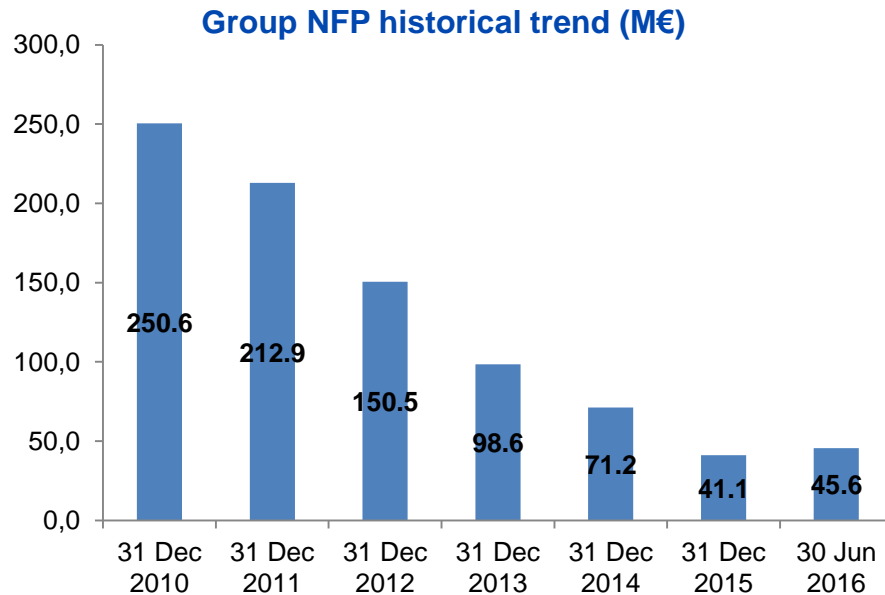


## June 30, 2016 – Group Balance Sheet

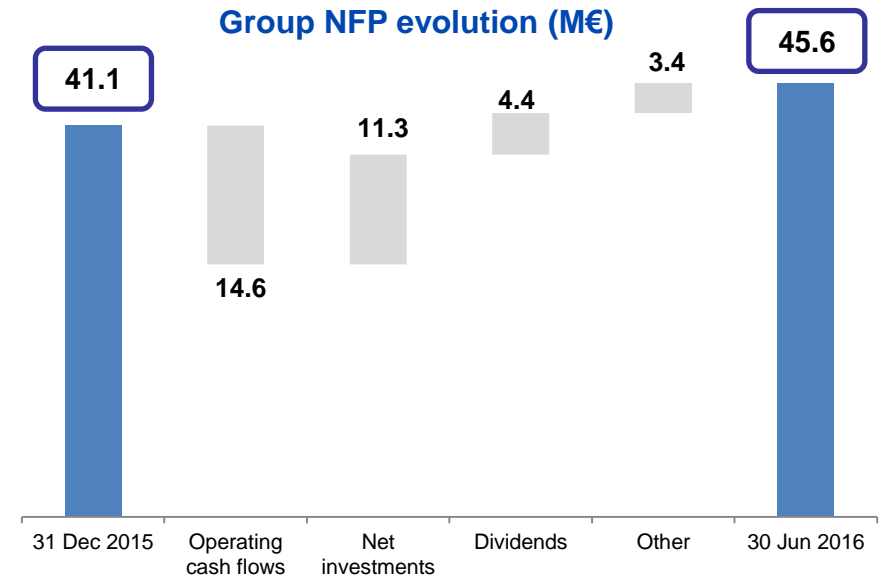
Group (M€)	June 30, 2016	December 31, 2015	% Change
Inventories	4.0	4.2	-4.6%
Receivables	11.0	16.8	-34.5%
Payables	(18.7)	(21.8)	-14.4%
Other working Credits/Debits	0.2	2.7	-91.8%
Non current Assets	448.4	447.1	0,3%
Taxes, Abandonment, Severance and Other provision	(184.3)	(184.3)	0,0%
<b>Net invested capital</b>	<b>260.6</b>	<b>264.7</b>	<b>-1.6%</b>
Net Financial Debt	45.6	41.1	10,8%
<i>of which long term</i>	66.3	69.6	-27,2%
<i>of which short term</i>	-20.7	-28.5	-4,8%
Equity	215.0	223.6	-3,8%
<b>Total Sources</b>	<b>260.6</b>	<b>264.7</b>	<b>-1,6%</b>

- ✓ Additional decrease of the low working capital vs. 2015 year end thanks to the seasonal reduction of receivables
- ✓ **Net Financial Debt** recorded a slight increase vs. 31 Dec 2015, due to the investment restart but maintained the same low level of the recent periods thanks to the investment postponement and the lower working capital needs, due to the new commercial business model
- ✓ **D/E ratio** move from 0.18 to 0.21

## NFP Trend



## Group NFP evolution (M€)



- ✓ The Group confirmed the low level of NFP, whose value will increase only with new relevant investments
- ✓ The Group has also secured financial resources for future E&P investments thanks to a € 64 M capex line



## 1H 2016 P&L - E&P contribution

E&P (M€)	1H16	1H15	% Change
Hydrocarbon Production (MScme)	76.1	79.6	-4.3%
<i>of which natural gas</i>	<i>63.0</i>	<i>67.2</i>	<i>-6.1%</i>
<i>of which oil and condensate</i>	<i>13.1</i>	<i>12.4</i>	<i>-5.8%</i>
<b>EBITDA</b>	<b>2.0</b>	<b>14.2</b>	<b>-86.1%</b>
Exploration Capex	1.1	1.0	+12.2%
Development Capex	5.4	2.2	+138.7%

- ✓ EBITDA decrease was driven largely by lower hydrocarbon prices and its effects have been limited by the constant control of operating costs.
- ✓ In 1H 2016 production declines slightly vs. 1H of previous year due to natural depletion of mature fields not compensated by (i) new gas-in, for delays in the authorization process, and (ii) the contribution to production of Garaguso concession, not operated by the Group, due to a sudden stop
- ✓ Exploration & Development:
  - ✓ Domestic activity:
    - Focus on main development project: EIA still delayed but the period has been used to finish detail engineering
    - Improvement expected with the end of the year thanks to cost reduction and Mezzocolle gas-in.
  - International activity :
    - Joint venture in the deep waters of the Black Sea "Midia Deep", led by ExxonMobil, decided to relinquish the high risk reward Midia Deep project
    - Ongoing activities in the offshore concessions in shallow water " Midia Shallow and Pelican ".
- ✓ As of June 30<sup>th</sup>, 2016 2P hydrocarbon reserves are BScme 4,6.

## 1H 2016 P&L - Commercial Gas Assets Contribution

Commercial Gas Assets (MScm)		BU	1H16	1H15	% Change
Supply (MScm)			52.5	211.7	-75.2%
Sales (MScm)			52.5	261.4	-79.9%
<i>Third retail</i>		<i>S&amp;S*</i>	-	160.9	-100.0%
<i>Balancing (former Trading)</i>		<i>S&amp;S*</i>	-	40.8	-100.0%
<i>Captive</i>		<i>S&amp;S*/Retail</i>	52.5	59.7	-11.9%
<i>Residential</i>		<i>Retail</i>	41.2	45.6	-9.5%
<i>Small Business/Multipod</i>		<i>Retail</i>	7.5	8.5	-12.0%
<i>Industrial</i>		<i>Retail</i>	3.8	5.6	-31.6%
<b>EBITDA</b>			<b>3,7</b>	<b>2,6</b>	<b>42.7%</b>
<i>of which</i>		<i>S&amp;S*</i>	-	-0.4	100.0%
<i>of which</i>		<i>Retail</i>	3.7	3.0	23.6%

\* S&S BU closed from October 2015

- ✓ Revenue of 1H 2016 show a slight decline due to two main aspects:
  - ✓ Warm winter weather that reduced the supply volume (-12%)
  - ✓ Gradual decline of prices
  
- ✓ Retail Business Unit's EBITDA has grown significantly over the 1H 2015 due to the increased profitability of all its cluster: (residential, small business, industrial)
  
- ✓ 2H 16 start up of retail activities in two new municipalities

## 1H 2016 P&L – N&T Contribution

NETWORK (M€)	1H16	1H15	% Change
Distributed Volumes (MSmc)	105.8	101.8	4.0%
Direct end users (#K)	95.9	89.0	7.7%
Pipeline (Km)	1,556.4	1,472.7	5.7%
CAPEX	4.7	0.5	<i>n.m.</i>
<b>EBITDA</b>	<b>3.7</b>	<b>3.8</b>	<b>-0.2%</b>

### Network

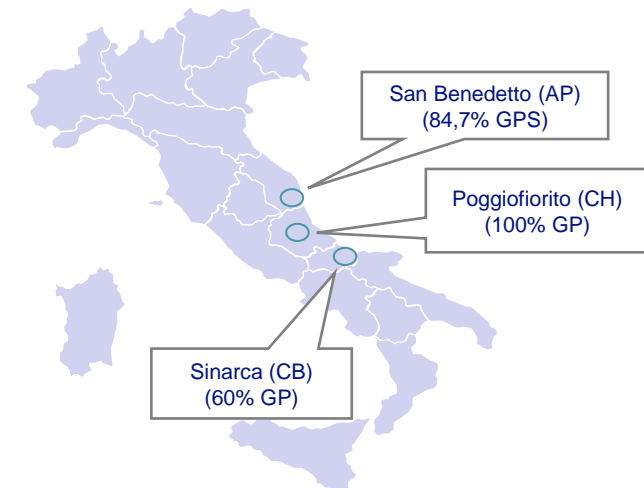
- ✓ Positive and stable contribution to Group results with an EBITDA in line with 1H 2015
- ✓ Distributed volumes increased in 1H 2016 due to the acquisition of the Manerbio and Bassano Bresciano distribution concessions, with a very limited effect on consolidated margin (only from May 2016)
- ✓ Evaluation of the new ATEM tenders in order, at least, to maintain the same perimeter of activities

TRANSPORTATION (M€)	1H16	1H15	% Change
Transported Volumes (MSmc)	5.1	5.4	-4.6%
Pipeline (Km)	41.9	41.9	0.0%
<b>EBITDA</b>	<b>0.1</b>	<b>0.0</b>	<b>57.9%</b>

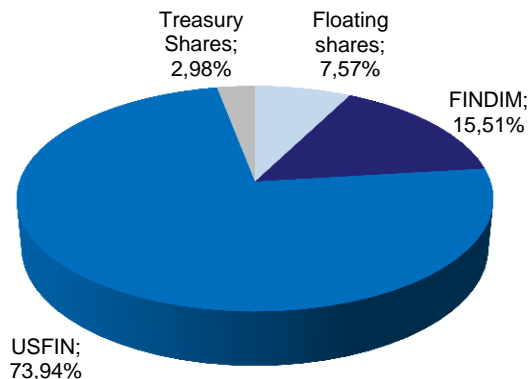
## Storage projects:

All three projects are located in Central Italy, characterized by only a few storage sites, and in the same area allowing for potential operational synergies:

- ✓ **SAN BENEDETTO (84.7% GPS - Operator):** EIA obtained in June 2014. During 2016 the Group increased its interest in this JV from 49% to 84,7%
- ✓ **POGGIOFIORITO (100%GPS):** EIA obtained in June 2014
- ✓ **SINARCA (60% GPS - Operator):** Final authorization and technical assessment



## Shareholding as at 30 Jun 2016



## Share information

**N. of share:** 44,909,620

**Share price as of 30/06/2016:** € 2.56

**Share price as of 04/08/2016:** € 2,616

**Mkt cap 30/06/2016 :** € 115.0 million

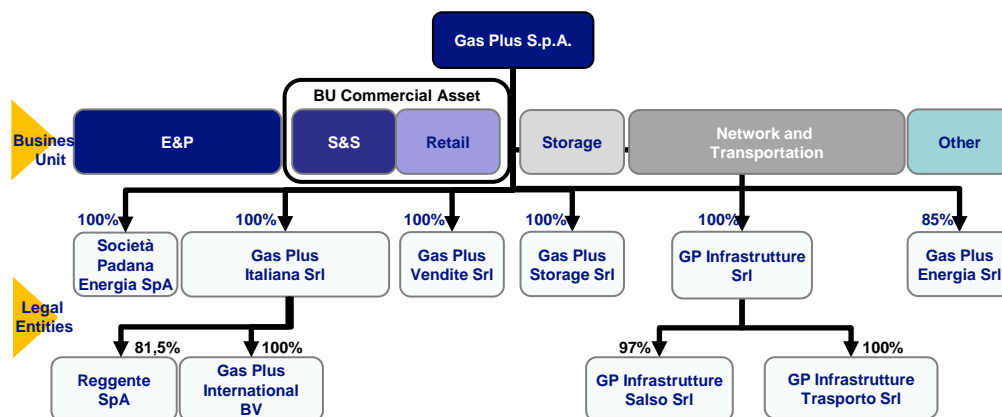
**Italian Stock Exchange – segment MTA**

**Own shares as of 30/06/2016:** 1,336,677

## Share price performance



## Group structure



## Management

<b>Davide Usberti</b>	Chairman and CEO Gas Plus S.p.A; Chairman Gas Plus International B.V. (E&P Int. Activities)
<b>Lino Gilioli</b>	VP and Lead Independent Director Gas Plus S.p.A.
<b>Cinzia Triunfo</b>	Group General Manager and Director of Gas Plus S.p.A. Executive VP Gas Plus International B.V. (E&P Int. Activities)
<b>Germano Rossi</b>	Group CFO
<b>Massimo Nicolazzi</b>	Executive VP Gas Plus International B.V. (E&P Int. Activities)
<b>Regulated Activity - Network</b>	
<b>Leonardo Dabrassi</b>	President – GP Infrastrutture Srl
<b>Achille Capelli</b>	Director Network

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